



<i>Wednesday, July 8, 2015</i>					
<i>COMMODITY</i>	<i>PERIOD</i>	<i>PRICE</i>	<i>WEEKLY MOVEMENT</i>		
<i>Corn CBOT</i>	<i>Sep</i>	<i>4.24</i>	↓	<i>5</i>	<i>cents</i>
<i>Soybeans CBOT</i>	<i>Sep</i>	<i>9.88</i>	↓	<i>75</i>	<i>cents</i>
<i>Wheat CBOT</i>	<i>Sep</i>	<i>5.77</i>	↓	<i>11</i>	<i>cents</i>
<i>Wheat Minn.</i>	<i>Sep</i>	<i>6.21</i>	↓	<i>01</i>	<i>cents</i>
<i>Wheat Kansas</i>	<i>Sep</i>	<i>5.83</i>	↓	<i>09</i>	<i>cents</i>
<i>Canadian \$</i>	<i>Sep</i>	<i>.7955</i>	↓	<i>-0.99</i>	<i>points</i>

#### **CORN:**

As of July 5<sup>th</sup>, the United States Department of Agriculture (USDA) estimated corn crop conditions in the United States at 69% as “Excellent” or “Good,” a 1% increase from last week and a 6% decrease from last year. 8% was rated as “Poor” or “Very Poor”, a 3% increase from last week.

On the charts: Corn like the rest of the grains have benefited from the June 30 report and like the other grains have stalled. With just two days to go before the next WASDE report (July 10) we have not rallied enough to change the actual trend. Both short and medium term indicators have turned positive but the main trend remains down. Support on the September corn contract sits at the \$4.00 area and again at 3.80-3.90. A close above the \$4.30 level could renew upside pressure on prices.

#### **SOYBEANS:**

U.S. farmers had seeded 96% of soybeans as of Sunday July 5, up just 2 points week on week, and at a time when plantings have usually virtually finished, USDA data showed.

On the charts: Soybeans suffered a steep loss July 7 as it slipped below the \$10 per bushel level and hit our support level at the 9.87 price based on the August contract. With this pullback equal to 50% of the entire June run-up, we can expect to see firmer prices to the up-side heading into the WASDE report due out on July 10. Although the main trend is still down, we have both the weekly and daily charts showing more upside potential. I would need to see a close above the \$10.75 to be excited about a potential trend reversal.



## WHEAT:

French soft wheat production this year will hit its second highest level in recent history, lifted by elevated sowings, according to the French farm ministry. They foresee a recovery in durum output as well.

The ministry - in its first estimate for this year's French soft wheat harvest, the European Union's biggest – pegged it at 37.87m tonnes, a rise of nearly 400,000 tonnes year on year.

On the charts: As mentioned last week in our commentary, we ran up to the \$6.25 resistance level after the June 30 report but then backed off. This pullback is necessary before another assault on the all-important \$6.25-6.50 level on the lead month contract is tested. As a technician I have learned that what goes up fast will also come down fast unless there is proper ground work. I am still of the opinion that we could see a correction to the 5.40-5.60 level on the September contract due in part that the July contract is getting close to expiry. To consider confirming a trend change, I am looking for a close above the \$6.50 level; however this is not an exact science.

Both short and medium term indicators are now positive but the main trend is still down.

## HARVEST 2015 CROP CASH PRICES AS OF CLOSE July 8, 2015

SWW @ \$326.77/MT (\$8.89/bu), HRW @ \$286.95/MT (\$7.81/bu),  
HRS @ \$282.26/MT (\$7.68/bu), SRW @ \$261.18/MT (\$7.11/bu).

Marty Hibbs, Grain Farmers of Ontario